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RR RUEHLMC
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ZNY CCCCC ZZH
R 190246Z MAY 08
FM AMEMBASSY ULAANBAATAR
TO RUEHC/SECSTATE WASHDC 2167
INFO RUEHBJ/AMEMBASSY BEIJING 6164
RUEHML/AMEMBASSY MANILA 1761
RUEHMO/AMEMBASSY MOSCOW 2256
RUEHUL/AMEMBASSY SEOUL 3364
RUEHKO/AMEMBASSY TOKYO 3039
RUEHLMC/MILLENNIUM CHALLENGE CORP WASHINGTON DC
RHHMUNA/HQ USPACOM HONOLULU HI
RUEKJCS/SECDEF WASHINGTON DC
RUCPDO/DEPT OF COMMERCE WASHINGTON DC
RUCNDT/USMISSION USUN NEW YORK 0613
RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC
RUEATRS/DEPT OF TREASURY WASHINGTON DC

C O N F I D E N T I A L SECTION 01 OF 02 ULAANBAATAR 000226

SIPDIS

STATE FOR EAP/CM AND INR/EAP

E.O. 12958: DECL: 05/19/2018

TAGS: [MASS PREL](#) [KPKO MARR MOPS PGOV ECON MG RU](#)

SUBJECT: MONGOLIAN MILITARY WELCOMES RUSSIAN HARDWARE

REF: A. A: ULAANBAATAR 99

[1](#)B. B: ULAANBAATAR 90

[1](#)C. C: ULAANBAATAR 221

Classified By: Charge d'Affaires Brian L. Goldbeck for Reason 1.4(d).

[1](#)1. (C) SUMMARY: In the latest sign of closer relations between Mongolia and Russia, the Mongolian Armed Forces have reorganized their Peace Support Battalion (PSB) structure to reflect the planned arrival, starting in 2009, of at least 40 Russian BRT-80 armored personnel carriers. The diesel-powered BRT-80s are part of a recent Russian grant aid package to Mongolia. The PSB reorganization, discovered by Post's Defense Attache (DATT), represents a major departure from a light-infantry orientation to a heavy mechanized battalion. The PSB reorganization precedes the first visit in 27 years by a Russian Defense Minister to Mongolia. Anatoly Serdyukov is scheduled to visit Mongolia on May 21, leading a 34-person delegation. This visit would follow a number of other visits by officials of the two countries, including one to Moscow by Prime Minister Bayar and one to UB by the acting Chairman of Russia's NSC, as well as several other actions indicative of an uptick in the tempo of Russia-Mongolia relations. END SUMMARY.

[1](#)2. (C) In the latest sign of closer relations between Mongolia and Russia, the Mongolian Armed Forces have reorganized their Peace Support Battalion (PSB) structure to reflect the arrival, starting in 2009, of at least 40 Russian BRT-80 armored personnel carriers. The diesel-powered BRT-80s are part of a Russian grant aid package to Mongolia. The PSB reorganization, discovered by Post's Defense Attache (DATT), represents a major departure, from a light-infantry orientation to a heavy mechanized battalion. Until now, the two established PSBs - Unit 150 in Ulaanbaatar and Unit 330 in Darkhan - consisted of three light infantry companies and one mechanized company of 10 BTR wheeled armored personnel carriers. Now, the Mongolian Armed Forces (MAF) have embraced three BTR companies and one light infantry vehicle. (No change is expected in the number of soldiers per battalion; it is to remain at 850.) According to the DATT, this reorganization will give the MAF's Peace Support Battalions greater mobility and protection for dangerous UN missions, but it will also make the units more difficult to deploy, and increase fuel and maintenance requirements for Mongolia's underfunded military. (Note: While this will also open up more UN deployment opportunities, the profile will also be higher-risk, and there is no indication that the

GOM has thought through the casualties implications of this decision. End Note.)

13. (C) Until now, the MAF's Peace Support and Cooperation Department (PSCD) has relied almost entirely on U.S. assistance for training and equipment. The ongoing shift to Russian hardware shows Russia's growing role in Mongolian affairs. It is not yet clear how many tanks and other weapons or weapons systems Russia will provide to Mongolia. It is also unclear whether, as some suspect, Russia will offer training to Mongolian peace support troops. As noted by our DATT, a Russian-trained Mongolian colonel took over in April as the Deputy Director of the PSCD, a move that could suggest a desire on the part of the MAF to bring greater Russian expertise into the department.

14. (C) The PSB reorganization precedes the first visit in 27 years by a Russian Defense Minister to Mongolia. Anatoly Serdyukov is scheduled to visit Mongolia on May 21, leading a 34-person delegation. A four-day visit was planned, but this appears to have been scaled back to one day. The GOM is keeping a tight lid on information related to the visit; the Mongolian public has not been informed.

15. (C) Serdyukov's visit would follow a number of other high-profile visits by officials of the two countries. PM Bayar recently visited Moscow, and in February, the acting Chairman of Russia's NSC, Maj. Gen. V.A. Sobolev, visited Ulaanbaatar and met with Bayar and President Enkhbayar (ref A). Meanwhile (ref B), the Russians are reportedly planning to invest \$1 billion in Mongolia's railway system, and ethnic

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Buryat tourists and businesspeople from Russians are flocking to Mongolia. Other forms of recent Russia-Mongolia interaction include the following:

-- Mongolian Prime Minister Bayar, a former Ambassador to Russia, sent a congratulatory telegram to Vladimir Putin, following his appointment as Russia's PM.

-- A gala reception and a concert were held in UB to mark the 63rd anniversary of Russia's victory in WW II.

-- Russian and Mongolian authorities discussed the development of a tourism route between Russia's Lake Baikal and Mongolia's Lake Khovsgol. (The two sides agreed to implement direct flights from Murun, Khovsgol province, to the Russian city of Irkutsk, in the summertime.)

-- A 236-person delegation from the Russian city of Ulaan-Ude visited Mongolia to take part in a May 14-17 economic and cultural festival.

-- A trade fair featuring Russian-made products was recently held in Mongolia's Uvs province. Sixteen enterprises reportedly took part and a number of contracts were signed.

-- Documents held in Russian archives on the history of Mongolia will be reproduced and published as a book.

16. (C) Mongolia derives more than 90 percent of its gasoline and diesel from a single Russian company, the state-owned oil giant Rosneft. PM Bayar has expressed support (ref C) for a quid pro quo that would see Mongolian fuel prices stabilized in exchange for permission for Rosneft to set up 100 gas stations in Mongolia. Mongolia's leading opposition party, labor leaders and members of the public have railed against this plan, accusing Bayar of selling out Mongolian sovereignty in exchange for lower fuel prices just before the June 29 Parliamentary elections.

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